



NATIONAL RECONNAISSANCE

JOURNAL OF THE DISCIPLINE AND PRACTICE

JULY 2015

Analytical Article

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Flamboyant Headlines: The Story of the
NRO's Consolidation into One Building
(1988–1996)

By Sharon K. Moreno



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JULY 2015



CENTER FOR THE STUDY OF
NATIONAL RECONNAISSANCE



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Correspondence: You should direct all correspondence related to *National Reconnaissance* to:

National Reconnaissance Office
Center for the Study of National Reconnaissance
14675 Lee Road
Chantilly, VA 20151
703-488-4733
Internet: csnr@nro.mil

Westfields—Separating Facts from Flamboyant Headlines: The Story of the NRO’s Consolidation into One Headquarters Building (1988–1996)

Sharon K. Moreno

Prior to 1992, the National Reconnaissance Office (NRO) consisted of program offices often referred to as “alphabetic” because their shortened names were Program A (for Air Force satellite reconnaissance activities), Program B (for CIA satellite reconnaissance programs), Program C (for the Navy’s satellite reconnaissance element), and—until 1974—Program D (for aerial reconnaissance vehicles). Though Programs A, B, and C together formed the National Reconnaissance Program, they operated independently—receiving staffing and human resources support from their “parent organizations”—and tended to compete with each other to produce the best reconnaissance products. They were also widely geographically dispersed: Program A was located on the West Coast at Los Angeles Air Force Base; Program B in the Washington, D.C. area as the Office of Development and Engineering (ODE) under the CIA’s Directorate of Science and Technology; and Program C also in the Washington, D.C. area at the Naval Research Lab.

In the late 1980s and early 1990s the NRO conducted several studies that concluded that this geographic separation and independence of the program offices was causing inefficiencies that outweighed the advantages of the competition that had resulted in better products.¹ Consequently, the NRO began to consider not only a reorganization, or realignment, of its programs into functional directorates, but a collocation of all three offices and their personnel into one centralized headquarters as well.

“Reflections of Roger C. Marsh—Building Westfields” and the following companion article, “Westfields—Separating Facts from Flamboyant Headlines,” tell the story of this collocation of the NRO’s program elements and staff into one new headquarters building in Chantilly, Virginia in 1996. While this article examines the NRO collocation according to the historical events and political factors involved, Mr. Marsh’s recollection describes the building of Westfields and the moving of personnel from three programs into one location from the purely personal, practical perspective of the man intimately concerned with each detail of this massive project.

¹ For a more detailed discussion of the NRO’s alphabetic programs, see: *The NRO at 50 Years: A Brief History* by Bruce Berkowitz.

Introduction

In 2011 the National Reconnaissance Office (NRO) publicly celebrated its 50th anniversary as an Intelligence Community organization. But, unbeknownst to most, another milestone in the NRO's history also occurred that same year: the 15th anniversary of the day employees first moved into the NRO's new headquarters building in western Fairfax County, Virginia.

The 11th day of January in 1996 marked the official opening of the doors to the new building, known as Westfields for the Chantilly, Virginia commercial area chosen for its construction. This first occupancy of the headquarters building represented approximately eight years of hard work by a small NRO project team, but, more importantly, the coming together of the organization's formerly geographically separated components. This article will tell the story of that coming together—the NRO's collocation—and the construction of its first headquarters building, which triggered an unprecedented media and public commotion, beginning in 1994 and for years beyond, that resulted in lasting effects on the organization's relationship with Congress and its internal operations.

Before the outbreak of publicity about the Westfields building in the summer of 1994, the NRO had been known to Congress—if not to the public²—as a highly successful organization. “From spy planes to spy satellites,” it had helped the United States lead the world for nearly half a century, as Senator Howard Metzenbaum conceded during a Senate Select Committee on Intelligence (SSCI) hearing in August (SSCI, p. 9). The NRO, acknowledged Senator Richard Bryan during the same hearing, had done “an extraordinarily effective job in terms of its national defense mission” (SSCI, p. 12). But, despite its mission success, the NRO suddenly found itself being taken to task by Congress—particularly by the SSCI—for constructing a headquarters building many considered too large and lavish for a government agency, but, more significantly, for allegedly not obtaining the proper authorizations before beginning the project.

Ironically, some of the factors that contributed to the NRO's success—its single-minded focus on mission and a streamlined management style that lacked the “extensive bureaucratic layers, time-consuming reviews, and intrusive management oversight” characteristic of so many other government organizations—also contributed to the trouble that ensued once an SSCI audit brought the price tag and size of the Westfields construction project to the attention of SSCI Senators Dennis DeConcini and John Warner (Laurie, 2001).

2 The fact of the NRO's existence was classified until 1992. But, even following the declassification of the “fact of” the NRO in 1992, the general public was probably not as familiar with this Intelligence Community organization as it may have been with the names and missions of other government agencies.

Though a formal study published in November 1994³ concluded that, in fact, the building's price tag was reasonable and that the NRO had not misled Congress about either the cost of Westfields or obtaining authorization, it did find that the project lacked adequate oversight and that the NRO's reporting to Congress was insufficient and often unclear.

Because dedication to mission and streamlined procedures were so ingrained in its culture, the NRO had failed to realize that undertaking a large building project in the same manner it undertook its satellite system projects could raise suspicion and cause such an uproar. In the words of Chairman Dan Glickman of the House Permanent Select Committee on Intelligence (HPSCI) during its August 1994 hearing on the Westfields issue, "people can relate to building a building...it is much tougher to relate to an obscure satellite system"; this might explain, he believed, "why this thing took off so much in terms of the publicity" (HPSCI, pp. 31-32).

The NRO had also failed to take into account that expectations in Congress, and among the public, had begun to change in the post-Cold War era of the 1990s, with many looking for a "peace dividend" for intelligence and military spending. Consequently, a shiny, new four-tower headquarters building did not seem in keeping with the times. Additionally, since the headquarters construction project was classified,⁴ but by 1994 the NRO had been declassified for two years, many in Congress and in the media wondered aloud why Westfields had been kept under wraps. As Chairman Glickman stated during the HPSCI hearing in August, "there is simply no need for a secret headquarters building for an agency, the existence of which is now public knowledge" (HPSCI, p. 3). This question regarding secrecy was raised often during the Congressional hearings on the Westfields project and became part of a subsequent broader movement toward greater openness and less classification as Congressmen increasingly began to ask the question "what should we classify?"

The 1994 Westfields controversy resulted in changes both for the NRO and for Congress. Questions of classification would be given consideration with an eye toward the concern that over-classification caused public cynicism; perhaps, as Senator Robert Kerrey suggested during the August SSCI hearing, "a lot of classified material is stamped secret not because of true security concerns, but because it would cause controversy here at home" (SSCI, p. 7). In summing up his statement during the hearing, Senator Kerrey

3 *The Joint DoD and CIA Review Report on the National Reconnaissance Office Collocation Construction Project* was published in November 1994, about three months after the Director of Central Intelligence and Under Secretary of Defense appointed its co-chairs. The Joint Review Team consisted of the following officers from the CIA and DoD: Derek J. Vander Schaaf, Deputy Inspector General, DoD; Dennis H. Trosch, Deputy General Counsel for Acquisition & Logistics, DoD; Rear Admiral Walter Cantrell, USN, Commander, Space & Naval Warfare Systems Command (SPAWAR); Colonel Karsten H. Rothenberg, USAF, Office of the Civil Engineer of the Air Force, Director of MILCON (AF/CEC); Lieutenant Colonel Thomas Duffy, USA, Dept of the Army, Office of the Judge Advocate General, Chief, Logistics & Contract Law; and Executive Assistant Commander Deborah R. Stiltner, USN, Military Assistant to ASN (RD&A).

4 In early August 1994, President Clinton, at the urging of SSCI Senators, declassified the fact of the NRO's headquarters building. On 8 August the declassification and existence of this new government building was disclosed to the public during a press conference held with Senators DeConcini, Warner, Kerrey, and Metzenbaum.

stated: “most importantly to me...I hope this discussion leads into the very important and extremely relevant question about how we’re going to do all of our classification effort in this new world” (SSCI, p. 8).

For the NRO, the Westfields debate—and the forward funding issue⁵ that followed—resulted in greater attention to internal business procedures, as well as a changed relationship with Congress that would include increased focus on communications and better accounting practices. Success at achieving its mission, as the NRO discovered, was no longer enough to keep the trust of Congress; it needed also to ensure that the business side of its operations were brought into compliance with Congressional requirements and remained in good working order.

The infamous Westfields controversy of 1994 arose initially over the process of Congressional authorization for a particular edifice and the number of dollars spent to construct it. But the issue ultimately grew—much as Roger Marsh expressed it—into something far more important than the building and the overall structure.

What Happened: The Story of the NRO’s Consolidation into One Headquarters Building

Furor Surrounding a Government Building

In the summer of 1994, news stories in the Washington, D.C. and national media suddenly thrust an unwelcome glare of publicity on the formerly classified National Reconnaissance Office (NRO) and the new home it was building for its three geographically dispersed program elements. Still under construction on 68 acres of land in the Westfields commercial development area of Chantilly, Virginia, the NRO’s new building had come under scrutiny by members of the Senate Select Committee on Intelligence (SSCI). The sudden disclosure of the construction project—first in an Associated Press announcement on 8 August and the next morning in front page headlines of both *The Washington Post* and *The Washington Times*—triggered numerous press articles in which reporters creatively described the new building as a “palatial spy satellite complex,” a “spook-palace,” or lavish new headquarters built by “government spendthrifts.”⁶ During a press conference on 8 August, Vice Chairman John Warner of the SSCI asserted that the Westfields building was inappropriately large and ostentatious, suggesting the NRO might have “created a Taj Mahal,” a facility that—because of its spaciousness and amenities—was unfair to the rest

5 For more information on the “forward funding” issue, see Dr. Bruce Berkowitz, *The National Reconnaissance Office at 50 Years: A Brief History*, Washington, D.C., September 2011.

6 On 8 August 1994, the Associated Press published “Spy Agency Building \$310 Million Office in the Dark,” following the press conference held that day by Senators Kerrey, DeConcini, Warner, and Metzenbaum to announce President Clinton’s declassification of the NRO’s headquarters building project. On 9 August, *The Washington Times* carried this front-page headline: “Congress Kept in Dark on Plans for Spy Buildings”; *The Washington Post* entitled its article “Spy Unit’s Spending Stuns Hill; \$310 Million Facility Secretly Sprouts Up Near Dulles Airport.” A number of news articles used the word lavish in referring to the Westfields building. David C. Morrison, in an article in *The National Journal* on 13 August 1994, referred to the new NRO building as a “palatial spy satellite complex”; David Nyhan, in an op-ed piece in the 12 August 1994 edition of *The Boston Globe*, wrote that “some cloak-and-dagger types were building a spook-palace twice as big as the U.S. Capitol.”

of the U.S. Government workforce (Press Conference, 1994, p. 2). Senator Max Baucus—using a literary reference to Samuel Taylor Coleridge’s poem *Kubla Khan*⁷—went so far as to label the NRO building a “gold-plated pleasure dome.”⁸

In an effort to counter accusations of wasteful spending of taxpayer dollars undertaken in secret contracts, NRO building project manager Roger Marsh, accompanied by Central Intelligence Agency (CIA) Director James Woolsey, and the NRO’s director (DNRO Jeffery Harris) and deputy director (DDNRO Jimmie Hill), testified before the Senate Select Committee on Intelligence (SSCI) on 10 August 1994 and the House Permanent Select Committee on Intelligence (HPSCI) on 11 August 1994. During these two sessions on Capitol Hill, the NRO representatives presented a paper trail that illustrated that Congress had indeed previously authorized building the NRO’s new headquarters.

But, would the substantial evidence presented in defense of the NRO’s project be enough to quell public outrage over alleged misspending of taxpayers’ money?⁹ One Congressman, Representative Larry Combest (R-Texas), astutely pointed out that the public would be far more likely to remember the shocking headlines about the spy satellite agency accused of constructing—through irregular procedures and a lack of appropriate Congressional accountability—a lavish and oversized building.

Was the Senate and media criticism of extravagant spending at the NRO warranted? How had the furor originated? Was there any truth to the charges leveled by Senators DeConcini and Warner that the NRO had deliberately tried to hide the details about its headquarters construction in order to build a bigger, grander structure than it needed?

An examination of available sources on the Westfields building project and the publicity surrounding it indicates that, despite Congressional allegations, the reality was that the NRO’s project had been carefully planned with minimization of expense as a primary objective—and that it had, in fact, been reported to and authorized by Congress. Testimony and evidence presented by Roger Marsh, DDNRO Jimmie Hill, and DNRO Jeffrey Harris at the HPSCI hearing supports this conclusion, as does a 1994 report undertaken at the direction of the Director of Central Intelligence (DCI) and the Deputy Secretary of Defense to determine whether the NRO had misled Congress and whether its building costs were reasonable. A study conducted in 1989 on restructuring of the NRO (the Geiger-Kelly Study) chronicles the plan to establish a headquarters building for the NRO in Washington, D.C. Finally, as will be evident in the historical background that follows, oral histories conducted with the two DNROs¹⁰ who played roles in the collocation of the NRO and with Marsh, the manager who directed the project from its

7 Coleridge’s poem *Kubla Khan* begins: “In Xanadu did Kubla Khan A stately pleasure-dome decree ...” (See <http://www.poetryfoundation.org/poem/173247>)

8 On 13 August 1994, *The Dallas Morning News* quoted Senator Max Baucus as referring to the new NRO headquarters as a “gold-plated pleasure dome.”

9 During his opening statement at the House intelligence committee hearing, Representative Larry Combest observed: “The public will not remember the detailed rebuttals that follow the flamboyant headlines.” (HPSCI Hearing, p. 4.)

10 Edward C. (Pete) Aldridge, Jr. served as DNRO from August 1981 until 16 December 1988. Martin C. Faga became the next DNRO on 3 September 1989, following Jimmie D. Hill’s service as Acting DNRO during the intervening months. DNRO Faga’s tenure ended on 5 March 1993.

earliest beginning to the final date of new headquarters occupancy in 1996, contribute especially illuminating details to the Westfields account.

Pressure for Reorganization and Collocation from the Hill Meets with Resistance from the NRO Programs

Ironically, in light of the outrage expressed by Senators DeConcini and Warner at the NRO's spending millions of dollars to house all of its components in the Westfields building, it had actually been the SSCI during the early 1990s who had pressured then-DNRO Martin Faga to collocate the three programs that comprised the NRO.¹¹ "I was being pressed by the Hill to do it [collocate]," DNRO Faga told an interviewer in 1996. In particular, Faga said in another interview in 2006, it was the Senate side of the Hill who were "pushing hard on collocation, and that led to the deal that led to Westfields" (CSNR Reference Collection).

Faga, who succeeded Pete Aldridge as DNRO in 1989, had begun to implement ideas from a study on restructuring and possible collocation of the NRO undertaken during Aldridge's tenure. The Geiger-Kelly NRO Restructure Study, completed in July 1989, had recommended collocating Programs A, B, and C through a three-phase approach. The NRO would first lease a building temporarily for the initial move of a small number of personnel. Then, it would lease another one or two buildings as an interim measure to relocate additional personnel. And, finally, it would purchase a site on which it could construct a permanent headquarters of adequate size for the eventual housing of all NRO personnel.

The collocation concept had originated, however, with DNRO Aldridge in the mid-1980s. When asked to describe how he got involved with the building of the NRO headquarters at Westfields, Roger Marsh recalled that it all began with "the continuing saga of NRO studies as to how to improve the NRO" (CSNR Reference Collection). This occurred sometime in 1986 or 1987, he recalled, during the tenure of DNRO Pete Aldridge.

And, in fact, according to an interview with Mr. Aldridge, it was "the downward trend in the budget" and the competition between Programs A, B, and C that had made him, as DNRO during the 1980s, begin to think about the need both to establish a planning and analysis organization and to consolidate all the NRO's elements in one geographic location. To study these ideas, he held offsites with the staffs of the three NRO programs and initiated studies. A new system needed to be created, Aldridge asserted, so that "when a user comes to us with a valid requirement, we come back to him with an NRO answer, not an A, B, and C answer". Collocation, he believed, would be necessary to resolve the three programs' geographic isolation from each other, which, if continued, would hinder their working together. The idea, Aldridge said, was that having everyone in the same building would enable managers to find "the best people to go work on the program" (CSNR Reference Collection).

11 The NRO was comprised of three separate operating programs: Program A (Office of the Secretary of the Air Force Special Projects), Program B (CIA, Directorate of Science and Technology), and Program C (U.S. Navy component at the Naval Research Lab).

During DNRO Aldridge's tenure, however, concerns about how to protect the career interests of the Air Force, CIA, or Navy officers within the three different organizations stood in the way of further movement toward any restructuring of the NRO. Aldridge found that all three programs strongly resisted his collocation recommendation. As he put it, the Air Force thought the idea was a ploy by the CIA to take over the Air Force; the CIA said it was an Air Force plan to take over the CIA mission; and the Navy believed it was a scheme for the Navy "to be taken over, period". By the time Aldridge left the NRO in 1988, the Geiger-Kelly study was underway, with Jimmie D. Hill as the NRO's acting director. The study, completed by a team headed by Bob Geiger and Barry Kelly, under DCI William Webster, examined the collocation concept, finding that:

There is substantial benefit to be gained by the NRO and its users and customers from the collocation of the NRO. It will provide the opportunity for daily interaction between the DNRO and the Program Directors and promote their shared attention to the management of the NRO. The result should be an improved decision process, enhanced communications, and better management integration. Additionally, collocation should foster a stronger sense of a "corporate" NRO and a shared mission. (Geiger-Kelly, p. 29)

Another study on restructuring, led by Bob Fuhrman for DCI Woolsey in 1992, followed the Geiger-Kelly study. "It all evolved," as Aldridge said, "based upon the fact that I saw ourselves destroying ourselves from inside, not from outside...We needed to get together and that was the recommendation of why we needed to do that" (CSNR Reference Collection).

When Martin Faga became DNRO in September 1989, he also observed that the NRO needed to unify as an agency. As he described it later in a 1996 interview, the NRO was then "a very loose confederation of Navy, Air Force, and CIA," which he believed must "come together more as a single entity". Though he managed to put into effect some of the ideas from the restructuring studies, Faga found that total collocation would be difficult to achieve, primarily because of the reluctance of Program A—then located on the West Coast—to move to Washington, D.C. The SSCI and other Hill members who were then pressing him to initiate collocation agreed to Faga's plan to allow Program A some time to come to its own decision to relocate—as long as they received the DNRO's assurance that he would, eventually, bring all of the NRO together in one facility. And, just as DNRO Faga predicted, Program A, which in 1990 had so strenuously resisted moving from the West Coast, became anxious by 1991-92 to join Programs B and C as the modifications that were taking place made it apparent that the NRO was, in fact, becoming more of a single entity (CSNR Reference Collection).

The Decision to Build

The uncertainty created by Program A's initial reluctance about the number of personnel to relocate and how soon they would move, however, led to what Faga called a "modular approach" in the facilities plan and the necessity of buying land and building. The criticisms about the NRO's choice to buy the 68-acre tract at Westfields and construct a facility using commercial contractors that Congress and the media would raise in 1994

contrast ironically with the NRO director's inclination at the time, which was "Oh, I really don't want to build" (CSNR Reference Collection).

Although DNRO Faga preferred not to build, the results of Roger Marsh's survey of real estate options, which made plain the flexibility that would be necessary in a facilities plan, convinced him that leasing was not feasible. The decision to construct a headquarters building came, Faga said, from "the recognition that you really can't structure a leasing arrangement for a single facility when you can't tell the developer very much about what you will do" (CSNR Reference Collection). Thus the idea of a facility built in towers developed, so that the NRO could begin construction with two towers and add more as the need arose.

From the beginning, according to Faga, the facilities plan recognized the possibility of four or five towers in order to accommodate all of the NRO, including Program A. As Marsh explained, the question of who, exactly, was coming to occupy the new facility took a long time to resolve, forcing him and his construction team to make some judgments based on their collective experience. "We could not wait to get it locked down like you'd want it to be," he recalled in 2005, "or we'd still be sitting here looking at a big hole in the ground" (CSNR Reference Collection).

As time went on, the NRO team added the third and fourth towers to the Westfields complex. The construction of all the towers, according to Faga, received the same "good coordination and cooperation from the intelligence and appropriations committees". In a 2006 interview, Faga explained that he purposely created a record of the construction, writing a letter documenting each event for the Hill committees because he knew—from his own experience as a staff director on the HPSCI—that "these people don't know what billions going into satellites mean, but they all think they understand real estate". Later, when the controversy over the "lavish" and "oversized" NRO headquarters building erupted, an investigation found a total of 22 letters DNRO Faga had written to the committees about different aspects of the building project (CSNR Reference Collection).

Choosing a Site—Choosing Contractors

According to Roger Marsh's recollection, it was a phone call from Jimmie D. Hill¹² sometime in 1988 that prompted the search for an appropriate site for a permanent headquarters building. Then a special assistant to Program B's director, Marsh was a natural choice to research buildings available for lease and, possibly, land for the NRO to buy because of his previous experience as a "facility guy" and with real estate as a contracting officer's technical representative (COTR).

"What if we got serious about this collocation thing?" Marsh remembered Hill asking him during that phone conversation. "Would you have any interest in taking a look in the market to see what we could do?" Since Program B had a number of people already

¹² Hill was the NRO's Deputy Director during DNRO Aldridge's tenure (August 1981–December 1988), and served as Acting Director following Aldridge's departure and the installation of Martin Faga as DNRO in late September 1989. Marsh's recollection does not make clear which position Hill held at the time of this phone conversation, but clearly Hill was reflecting Aldridge's expectations that the NRO would collocate.

familiar with the real estate market, Marsh said, his “guys in the market” did a survey using Hill’s criteria, which—for the permanent facility—included close proximity to an airport for the convenience of visiting contractors and government representatives and reasonably priced housing for the expected relocation of families from the West Coast and other localities (CSNR Reference Collection).

This preliminary survey, Marsh recalls, revealed many opportunities in both Virginia and Maryland. Most existing government facilities were ruled out, with only two found to be large enough, but presenting security problems. Building on a new government site, the surveyors determined, would be problematic in terms of both cost and scheduling because of the need for an environmental impact statement, site master plan considerations, and funding cycle constraints. Of the 150 sites and facilities found available for the NRO’s permanent Washington headquarters, commercial sites offered the most flexibility in satisfying considerations of security, size, and possible future expansion. The Westfields tract, created from subdivided portions of various farms and other individual lands owned by Fairfax realtor Henry Long, emerged as the preferred site for construction of the permanent NRO building.

Accordingly, the NRO settled on the purchase of Westfields, a commercial site large enough for single facility collocation of all three NRO program offices that both DNROs Aldridge and Faga, as well as Congress, had come to believe would be a necessary first step toward restructuring—the restructuring that would be required to “provide for a better integrated satellite reconnaissance program.” In the meantime, project manager Marsh and his team would need to accomplish phases one and two of the restructure/collocation plan: (1) the immediate collocation of essential management elements, as well as a newly established planning and analysis (P&A) organization, into a temporary facility; and (2) the subsequent collocation of all management and the full P&A organization into a larger interim facility (CSNR Reference Collection).

The Temporary Facility. Relying on a “small handful of program people,” Marsh’s team set out to find a building to house the small number of personnel comprising essential management and the initial P&A group. Marsh’s program group secured the services of a contractor who would serve as the NRO’s “face to the world” in conducting negotiations and implementing plans. Since the fact of the NRO was then classified,¹³ any leasing of facilities or purchasing of land for construction would need to be done, as Marsh described it, “not as the government, but as a contractor with a cover story... because we didn’t exist” (CSNR Reference Collection).

A building of about 30,000 square feet, dubbed “The Barracks,” became the new temporary building, ready for occupancy in 1989, following installation of furniture, computers, and security system by Collins International Service Corporation (CISCO), the Rockwell Corporation subsidiary who had won the NRO’s contract in a competition with General Electric and Lockheed. As Marsh remembered the time spent in the temporary facility, the DNRO was there on a part-time basis, and Jimmie Hill spent most of his time

13 The fact of the NRO remained classified until 18 September 1992 when the Office of the Secretary of Defense released a statement, “Declassification of the Fact of Existence of the National Reconnaissance Office.”

at the building, but some of the NRO staff continued to be located at the Pentagon. The personnel representing Programs A, B, and C, who relocated to the temporary building, situated themselves in separate corners. Everyone, as Marsh portrayed that early period of time spent in The Barracks, “smiled and said, oh life is good” because “life went on as we had known it for the past ten-plus-years”—each of the NRO’s programs continuing to operate in their historically separate and independent fashion (CSNR Reference Collection).

The Interim Facility. For the interim facility, Marsh’s team—CISCO, representing the NRO as lessee; three Coldwell Banker real estate agents hired to conduct the property search, set meetings, and collect documents; and a few of Marsh’s program office personnel, who “were really pulling all the strings, but in the background, not identifying themselves as government people”—found a building that the developer was anxious to lease. The NRO signed the lease for this building, according to Marsh’s recollection, in mid-1990 and by July 1991 began moving in.

The Permanent Site: Westfields. Negotiations with Henry Long of Long and Foster Realty to buy the 68-acre Westfields tract actually took place while the lease for the interim facility was being completed. In November 1990 Long and the NRO concluded their agreement, with CISCO (as the NRO) purchasing about five extra acres, “all the way down to Lee Road” in order to avoid having close neighbors. The NRO paid Long, Marsh estimated, about \$8.25 per square foot. It was “a lot of money,” as Marsh described it, but part of that figure, he pointed out, was earmarked for infrastructure that, at the time, was nonexistent because there were very few buildings in the area. Money for the roads, sewer, power, and water lines, Marsh said, was put into an escrow account so that Long had to submit the bills showing that “the road had been completed, the sewers installed, and then CISCO would end up releasing that purchase price money to him” (CSNR Reference Collection).

In 1991 Marsh’s team contracted with the Til Hazel company to do all the Westfields site work in preparation for construction. Hazel, Marsh remembered, “wanted to be looked upon as somebody who would not chop down the cherry tree”—a developer who would be sensitive to ecological concerns. As part of the Westfields site work, the Hazel company planted between 1,500 and 2,000 trees around the perimeter, an effort that provided the NRO a natural boundary and security buffer, as well as being environmentally conscious. As a result, Fairfax County presented the NRO with an environmental award, which, as Marsh noted, “was in our own best interest to start with” (CSNR Reference Collection).

Next, the building project team undertook a contract for construction of the parking garages and the basement foundations of Towers 1 and 2, which, at this point in 1991, Marsh recalled, was all the NRO was authorized to do. Neither Program A nor Program C had yet committed to relocate to Westfields. Program B was the only certain new occupant, which, according to Marsh, was because he, and the director and deputy director of Program B—Julian Cabellero and Ed Nowinski, respectively—were anxious to move out of their interim offices.

Marsh's team dealt with the uncertainty caused by the continued hesitation of most of the NRO's elements by building those portions of the Westfields complex already authorized, using what input it could get from the three programs, and "making some judgments based on collective experience of how big things should be". But then, remembered Marsh, another study, probably in early 1992, resulted in a sudden acceleration of the collocation project. The new instructions he received were to go to a full collocation of people into a single place—not by 1996, as originally scheduled, but by the end of the year. "And I said," remembered Marsh, "we cannot physically do that; cement doesn't dry that quick" (CSNR Reference Collection).

To satisfy this accelerated timetable for full collocation, Marsh's team found more buildings for lease as a stopgap measure so that all of the NRO could be located in the Washington area. Then, all occupants would gradually migrate to the Westfields building upon its expected completion in 1996. Meanwhile, construction on the headquarters building at the Westfields site continued with a contract award having gone to the Hyman construction company. The NRO had asked Hyman to build the core and shell of Towers 1 and 2, and to provide an option for Tower 3. When the bids came back, Marsh recalled, the NRO awarded the contract for all three towers to Hyman. In addition, because the company offered "an extremely attractive price" on one more tower, the NRO decided to go ahead with construction of Tower 4 as well.

The Westfields Construction Project Goes Public

Sen. Max Baucus (D-Mont.) likened the Westfield project to the "stately pleasure domes" of Samuel Taylor Coleridge's sardonic poem "Kubla Khan." "The taxpayers got a bad deal," he said. (*Chicago Tribune*, "CIA Chief Admits He Was in Dark; Director Will Probe Secret Office Center," 11 August 1994)

On 9 August 1994, residents of the Washington, D.C. area found that their morning news included the revelation that a secret spy agency had kept hidden from Congress the construction of a \$310 million headquarters building in western Fairfax County, Virginia.¹⁴ Newspapers around the country, from large metropolitan dailies like *The New York Times* ("Senators Angered Over Cost of Spy Agency's New Offices") to publications in smaller communities such as West Virginia's *Charleston Daily Mail* ("CIA Project Hidden Out in Plain Sight: \$310 Million Building Disguised as New Office for Defense Contractor"), picked up on this story, which arose from a press conference held the day before by Senators Dennis DeConcini, John Warner, Bob Kerrey, and Howard Metzenbaum.

The press conference that set off a wave of headlines about alleged reckless spending of taxpayers' money had begun on Monday, 8 August, with Senator Kerrey's announcement of the declassification—"in an unprecedented fashion"—of a formerly secret construction project about which his committee had serious concerns, "particularly in these times of tight budgets" (Press Conference, p. 1). The Clinton administration's decision to declassify

¹⁴ In *The Washington Post*, the headline of Pierre Thomas's front-page article read: "Spy Unit's Spending Stuns Hill; \$310 Million Facility Secretly Sprouts Up Near Dulles Airport." *The Washington Times* published "Congress Kept in Dark on Plans for Spy Buildings" by Bill Gertz.

the NRO's headquarters construction, Kerrey said, represented its recognition "essentially that mistakes were made," that Congress "ought to allow the public to know what's going on in review" (Press Conference, p. 1).

Later, during Congressional sessions held to examine the NRO project, Senator Warner, Vice Chair of the SSCI, would express regret that the issue had been brought before the public so quickly. He had hoped, he said, that following declassification of the project his Committee would first have an opportunity to assess the response of the Executive Branch in order to narrow any gap between the two entities' analyses of the facts. Nevertheless, once declassified, the NRO's Westfields construction project had swiftly become open knowledge, and the reaction of the media and the public would now play some role in the outcome of the matter.

Congressional Concerns vs. Media Headlines

"I think it is impossible to play catch-up with the erroneous impressions that have been left with the public about all this that damaged not only your organization but the sense of public confidence in the oversight responsibilities of the Congress." (Representative David E. Skaggs, HPSCI Hearing, p. 26)

A sampling of headlines that followed the public disclosure of the Westfields construction reveals how press coverage may have skewed the story of the NRO's new headquarters building. "A Failure of Intelligence" wrote *The Morning Call*, while the *Los Angeles Times* published "White House Kept in Dark on \$310 Million Spy Office." Stories like these seemed to imply that the classified building project was an unmistakable example of botched intelligence between the NRO and the Senate Select Committee on Intelligence, as well as the White House to which it reported—all organizations that should have been expected to possess the greatest proficiency in reporting intelligence.

Other media stories such as "Spy Agency Confession: Buried Figures on Building Project, Chief Admits," in *The Record*, and "Monumental CIA Secret Outrages Congress," in Australia's *Sunday Age*, indicated that the NRO and CIA had deliberately kept secrets and hidden cost numbers—and that all of Congress was up in arms over the NRO director's "confession." A headline in the *Pittsburgh Post-Gazette*, "Cold War Hangover Construction of a Spy Complex Deserved More Oversight," suggested that the thinking of NRO leaders was stuck in Cold War mode, while "Loss of Attitude Control," published in *Aviation Week & Space Technology*, appeared to bolster charges made by some in Congress that an arrogant attitude persisted at the NRO and throughout the Intelligence Community. *ABC News* called its story "Spy Pork—Waste in the National Reconnaissance Office," employing a common term the public would associate with waste, fraud, and abuse.

But what exactly were the complaints of the senators and representatives who investigated the Westfields project? A review of the record of the press conference with Senators DeConcini, Warner, Kerrey, and Metzenbaum, as well as the Congressional records from the 11 August Hearing Before the Permanent Select Committee on Intelligence of the House of Representatives and the records of the 12 August 103rd Congress 2nd Session reveals the Congressmen's specific questions and concerns.

Press Conference, 8 August 1994

During the press conference held on Monday, 8 August 1994, Senator DeConcini stated his belief that the NRO had definitely made “an effort not to disclose the cost and the expense” (Press Conference, p. 2). This concealment of information, he maintained, arose from an attitude pervasive in the Intelligence Community that it did not have to “account like anybody else does” (Press Conference, p. 2). Senator Metzenbaum stressed the building’s size, and what he perceived to be the resultant exorbitant cost of the Westfields construction.

Four buildings (or towers) had been built when probably no more than two, or three at most, were needed, Metzenbaum said. Furthermore, he questioned the NRO’s liberal use of contractors, suggesting that contractors ought to pay rent on the office space they would occupy in these new buildings. More importantly, Metzenbaum claimed, no one on his committee knew anything about the Westfields construction project; thus, it was an obvious example of the government “doing business in the dark” with the American people paying the bill. Noting that he had “made almost a career out of trying to get the CIA’s budget made public,” Senator Metzenbaum added that DCI James Woolsey had continued to oppose making the intelligence budget public (Press Conference, p. 2).

In contrast to the allegations by DeConcini and Metzenbaum that the SSCI was never informed about the NRO’s project, Senators Kerrey and Warner cautioned against a rush to judgment and allowed that, in fact, they had known that the NRO was building a new headquarters, but that they were “not familiar with the scope of the project” and “many of the decisions that were made along the way” (Press Conference, p. 3). Warner, who represented Virginia where the new headquarters was being built, acknowledged that he had been part of the original decision team in looking for a site; but he pointed to the NRO’s “type of accounting that’s common throughout intelligence” and said that either his committee had not been provided details about construction costs or had not followed them as the years went by. The result was that the SSCI did not realize “how it was beginning to add up” (Press Conference, p. 3). More important, Senator Warner suggested, was the possibility that the current geopolitical climate might justify a scaling down of the size of this project, which, as he pointed out, was conceived during the Cold War. In any case, the cost of the Westfields building might have been less, according to Warner, if the NRO had constructed it through the typical General Services Administration (GSA) or military construction (Milcon) procedures.

Concerns about the NRO’s accounting procedures, about whether or not it had intentionally buried cost figures, and what its responsibility ought to be insofar as reporting to Congress were to be voiced again during Senate discussions a few days later. Questions about the project’s size and its resulting price tag would continue to be asked in connection with the NRO’s employment and housing of a large number of contractors and its choice to bypass GSA construction, as well as with respect to the necessity of constructing an intelligence agency headquarters of such generous proportion after the Cold War had ended.

Senate Intelligence Committee Hearing, 10 August 1994

On 10 August 1994 the Senate Select Committee on Intelligence (SSCI) convened a hearing with representatives from CIA, DoD, and NRO to discuss the Westfields building project. During this public hearing—first in the NRO’s history—Committee Chairman DeConcini, in an opening statement, called the information provided by the NRO “minimal notification” and maintained that former DNRO Faga had “never even raised the issue” of the Westfields complex in hearings with the SSCI (SSCI, 1994, pp. 1-2). The DCI James Woolsey testified that Congress had been informed about the construction and pointed out that SSCI members had not asked the NRO exactly what its new headquarters would cost. Vice Chairman Warner countered Woolsey’s charges about the Committee’s lack of diligence in asking questions by saying that the SSCI “should not have to be categorized as investigators” (SSCI, 1994, p. 6).

Other Committee members—Senators Kerrey, Metzenbaum, Bryan, Baucus, and D’Amato—also made statements. Kerrey’s chief concern was the issue of classification that had been raised by the controversy; the most important question now, he said, should be “how we’re going to do all of our classification effort in this new world” (SSCI, 1994, p. 8). Metzenbaum criticized the NRO’s “culture of secrecy,” and accused it of buying “more satellites than it needs” and of having a “record of resistance to truly innovative ideas” (SSCI, 1994, p. 9). Bryan stated his conclusions that “clearly the budget process has failed” and that it was probably still possible to save “literally tens of millions of dollars which have not yet been contractually obligated”—he intended, he said, to draft an amendment to freeze expenditure of these funds (SSCI, 1994, p. 12). Baucus’s statement began with his allusion to a verse from the Coleridge poem *Kubla Khan*, in which he likened the NRO’s new headquarters building to “a stately pleasure dome”—the “gold-plated pleasure dome” quote so often repeated by journalists in news articles following the hearing. D’Amato focused on what he believed had been the failure of both the DCI and Secretary of Defense to carry out their responsibilities in overseeing the NRO’s leadership—Woolsey and Secretary of Defense Perry “should have hauled them up short . . . why didn’t this happen?” (SSCI, 1994, p. 31).

The NRO’s director, Jeffrey Harris, offered a prepared statement, acknowledging that “we could and should have done a better job in displaying the budget information associated with this facility” but maintaining that the NRO never “intentionally hid or obfuscated data about Westfields” (SSCI, 1994, p. 40). Along with DDNRO Jimmie Hill and Westfields project manager Roger Marsh, Harris proceeded to answer questions from all members of the Committee.

Senate Session, 11 August 1994

During the Senate’s session on Thursday, 11 August to consider the Intelligence Authorization Act for Fiscal Year 1995, the NRO and its headquarters construction became one of the focal points of discussion, particularly with the introduction of Amendment No. 2557. In this amendment, offered by Senators DeConcini and Warner, limits would be placed on the funds authorized for the NRO; total spending for the NRO

headquarters would be capped at \$310 million and could not be expended until a review of the project was completed.

In presenting the amendment, Senator DeConcini again emphasized that his committee did not know “the true dimensions, most importantly the cost” of the Westfields project (Congressional Record, p. 39). The only firm figures Congress had about the project’s cost were contained in a November 1992 briefing, he said, where the NRO indicated the building would cost \$175 per square foot, for a total of \$186 million. Then, in 1994 when his staff went to the NRO for an audit, they got an estimate of \$347 million—a figure, DeConcini noted, that had suddenly dropped to \$310 million in the few days since President Clinton’s declassification of the project.¹⁵ But, the overriding concern, he insisted, was accountability.

DeConcini argued that the NRO’s use of “overt procurement procedures rather than established government facility procurement procedures” [Milcon or GSA procedures] resulted in a construction project with no supervision by the DCI, CIA, DoD, or NRO Inspector General. Therefore, “the [Congressional] oversight committees in this case were the only ones to whom the NRO was accountable”; but, he said, “the information they provided to us fell far short of a complete picture, particularly in terms of the project’s cost...the bits and pieces of cost information that we had was piece-mill [sic], and, at times, contradictory” (Congressional Record, p. 40).

Both Senators DeConcini and Warner stressed what they considered to be the excessive size of the NRO headquarters building, which, of course, had raised its cost, and was affected by the fact that the NRO planned to house contractors as well as government employees. “For one relatively small segment of our overall Intelligence Community,” Warner said, the NRO was building “an entity which is roughly, approximately one-fifth the size of the Pentagon” (Congressional Record, p. 43). In addition, DeConcini pointed out, of the total 2,900 people expected to move into the new building, 1,000 would be contractors rather than NRO employees. “What right,” he demanded, “does any agency have to step forward and spend money, build an excess building for a thousand contractors without coming to Congress, making justification for the expenditure, and seeking our authority?” (Congressional Record, p. 47).

House Intelligence Committee Hearing, 11 August 1994

The day after the SSCI hearing, the HPSCI met to hear the testimony of DCI Woolsey, DNRO Harris, DDNRO Hill, and project director Roger Marsh, who was by then the NRO’s Director of Management Services and Operations. In stark contrast to the Senate committee hearing, the HPSCI hearing opened with a statement of support for the NRO,

¹⁵ According to an article (“The Spies Who Lost \$4 Billion”) in the October 1998 issue of *George* magazine, a Senate staffer on his way to Dulles Airport in January 1994 noticed the Westfields construction and brought it to the attention of SSCI Chairman DeConcini, thereby instigating the Senate audit of the NRO building project. Senate Intelligence staffer Art Grant had been briefed, he said, so that he knew the NRO’s new headquarters complex was on Route 28 and that there were four buildings. However, according to the article, “the sheer size of the new headquarters took Grant’s breath away” (Wise, 1998, p. 1).

Chairman Dan Glickman concluding “that there was no effort by the NRO to hide the existence of this project from Congress” (HPSCI, p. 2).

Representative Larry Combest followed the chairman’s statement with a welcome to Woolsey, Harris, Hill, and Marsh, saying that “the prevalent insinuation or outright contention that the NRO sought to slip one over on Congress is false” (HPSCI, p. 3). Before turning the floor over to the DCI, Combest criticized the SSCI’s “inattention to their committee work,” which, he asserted, had caused the reputation of Congress and the IC to be “besmirched without cause” (HPSCI, p. 4). The entire Westfields building issue—which had resulted in “flamboyant headlines” that he predicted would be what the public would best remember despite whatever evidence might be presented in the NRO’s defense—had become, Combest lamented, “a public cat fight” (HPSCI, p. 4).

Woolsey then presented a statement affirming his intention, along with that of Deputy Secretary of Defense John Deutch, to review the Westfields project in order to ensure a mutual understanding between the Congressional oversight committees, the CIA, and Department of Defense about its purpose in meeting “an important intelligence need in a cost effective manner” (HPSCI, p. 5). He and Deutch, Woolsey said, had tasked the Assistant Secretary of the Navy, and the Principal Deputy CIA General Counsel, to lead a joint DoD/CIA review, the results of which would be reported to the Congressional committees.¹⁶ The remainder of the HPSCI hearing consisted of DNRO Harris and project director Marsh presenting a chronology of the Westfields construction and all four witnesses for the NRO responding to questions.

Regarding the question of appropriate authorization for the Westfields construction, DNRO Harris stated that the NRO believed it was “in full consonance with this Committee” (HPSCI, p. 9). The Intelligence Authorization Act for fiscal year 1990, Harris said, had added \$30 million for reorganization activities, which prompted the NRO’s program of consolidation and collocation. Each year afterward the NRO submitted its Congressional Budget Justification Books, and, as approval was received from Congress, it moved on with the process. The only exception, Harris noted, occurred when the NRO’s plan changed from three towers to four; however, a letter dated 18 October 1992 to then-Chairman David McCurdy requesting reprogramming, as well as a response on 18 December reallocating \$22 million, showed that the fourth tower had also been fully authorized.

Authorization for the NRO to contract directly for the construction of its headquarters building became the next issue explored during the hearing. Representative Norman Dicks directed questions on this subject to Roger Marsh, asking how he had interpreted specific language in the Intelligence Authorization Act that referred to contracting directly for facility activities and providing for expansion capability. “Did this give you, in your mind,” Dicks asked, “legal authorization on this project?” (HPSCI, p. 9). Absolutely, Marsh answered, adding that he and his team had acted from the beginning in the spirit of a “full team relationship” with appropriate members of the House and Senate. “We wanted it on the record,” he said, “that what we were doing was in full support and understanding of

¹⁶ This review culminated in the *National Reconnaissance Office Collocation Construction Project Review Report* (commonly referred to as the *Joint DoD and CIA Review Report*), published in November 1994.

the Congress, where you guys were telling us you authorized to do it directly, not through the GSA process, not through the MCP process...Yes, sir, we thought we had all the bases covered” (HPSCI, pp. 9-10).

Lastly, the HPSCI considered the question that had been raised by SSCI members about why the NRO was building such spacious new headquarters when the Cold War had come to an end. Chairman Glickman wanted to know whether the NRO’s current construction plan was consistent with the downsizing of the IC that had begun before 1993. Both DCI Woolsey and Roger Marsh responded, with Woolsey stating his belief that the size of this headquarters building was “consistent with an NRO that is going to decline substantially still in numbers of satellites and in numbers of satellite ground stations”; Marsh further explained that, though his team had attempted to keep up with personnel changes, the fact that everyone working at the NRO came from different parent organizations made for a difficult process. Because of the dynamics of the overhead reconnaissance program at that time, Marsh said, DDNRO Jimmie Hill had given him explicit instructions not to build a structure that could later be considered a white elephant. Thus, the plan for Westfields that had been put in place, he believed, protected the “option to make it cost-effective to the taxpayer”; in fact, if the NRO were “put out of business or we didn’t need the NRO anymore,” the property, Marsh said, could be disposed of through normal commercial process (HPSCI, pp. 33-34).

Joint DoD/CIA Review Team Publishes Conclusions and Recommendations, November 1994

The Joint DoD/CIA Review Team,¹⁷ appointed by the DCI and Deputy Secretary of Defense at the time of the SSCI hearings in August, completed a review of the Westfields construction project and published its conclusions and recommendations in November 1994. The Review Team considered seven issues and listed a summary of findings and recommendations for each, with the exceptions of construction costs—for which it made no recommendation—and impact of secrecy. The Team did not offer any recommendation regarding construction costs because it concluded that “the construction costs per square foot are reasonable” (Joint DoD/CIA Review Report, p. 3). In considering how the secrecy surrounding the building project—prior to its declassification—may have impacted cost or Congressional approval, the Team noted the “challenge of hypothesizing what might have been different if the Westfields project had been declassified earlier” (Joint DoD/CIA Review Report, p. 20). Nevertheless, in addressing Congressional and media suspicions that the classified nature of the project and the NRO’s resultant use of commercial contracting may have raised its price tag, the Team’s conclusion supported its finding that the construction costs were reasonable.

¹⁷ Officially titled *National Reconnaissance Office Collocation Construction Project: Joint DoD and CIA Review Report*, this report was produced by a joint DoD/CIA team appointed by the DCI and Deputy Secretary of Defense.

Conclusions and Recommendations of Joint DoD/CIA Review Team

Information Provided to Congress

- **Findings:** No intent to mislead Congress; intelligence oversight committee approved reorganization of the NRO, authorizing \$30 million in FY1990 funds for initial interim collocation and approved purchase of property and startup of building construction; NRO failed to follow IC budgeting guidelines that would have caused this project to be presented as a “New Initiative”; NRO provided data in response to specific requests, but did not present data in consistent fashion or with level of detail comparable to other IC or military construction; NRO was responsive to Congressional requests for additional information; primary burden for presenting budgetary requests in clear, useful form rests with Executive Branch.
- **Recommendations:** Inclusion of land and construction section in CBJB that itemizes facilities-related projects; identification of significant improvements in infrastructure as “New Initiatives”; establishment of understanding regarding sharing of answers to each committee’s questions.

Project Management and Oversight

- **Findings:** SecDef, DCI, and DNRO were focused on achieving reorganization/collocation, not as focused on requirements for building facilities; project lacked independent review of basic requirements.
- **Recommendations:** For future major infrastructure projects, DCI and SecDef should require review and validation of project requirement from outset and at each major milestone.

Construction Costs

- **Findings:** Construction costs per square foot were reasonable, based on comparable military and commercial facilities.
- **Recommendations:** None.

Facilities Utilization

- **Findings:** Excess space found in areas such as large office bays and conference rooms; consistent with GSA guidelines, room exists for at least 500 and as many as 1,000 additional staff.
- **Recommendations:** Other IC offices with similar need for security should be housed in the facility, by converting large office bays, conference rooms and other office support areas into offices; DCI and DepSecDef should examine current construction plans and lease costs of other elements of IC to determine use of additional property on Westfields parcel.

Contractors Housed in NRO Facilities

- **Findings:** Numerous onsite contractors have served the NRO in the past and will continue to do so; Defense Contract Audit Agency determined that overhead rates have been properly adjusted for space and other occupancy benefits provided to contractors.
- **Recommendations:** DNRO should review contracts to ensure compliance with Part 37 of the Federal Acquisition Regulation.

Impact of Secrecy

- **Findings:** Use of commercial contracts did not result in construction costs significantly above those predicted for comparable military construction projects; some security-specific costs (such as real estate taxes paid by Rockwell, permits, and licenses) might have been avoided if the NRO had constructed its building as a U.S. Government facility; overt U.S. Government construction might have been accompanied by independent assessment of space requirements that could have resulted in a smaller facility; if the project had been declassified earlier, the decision to build might have

been different since DoD property and facilities were becoming available through Base Realignment and Closure process, or greater consideration might have been given to locating on a military installation.

- **Recommendations:** None.

Potential Cost Savings

- **Findings:** In addition to savings from more efficient utilization of building space, potential for savings in taxes, furniture and support equipment, and communications-related items
- **Recommendations:** With commercial cover no longer required, NRO should cease payment of sales taxes and ensure no future liability for real estate taxes by having title to Westfields transferred from Rockwell to Government or by making alternative arrangements with local officials and obtain refund of any real estate taxes to which U.S. Government is entitled; NRO should reduce its budget for furniture and support equipment by at least \$8 million; DNRO should conduct a review before spending funds for communications-related items.

Why Did the Westfields Controversy Happen? An Evaluation of Factors

“I do not mean to demean the situation we are on here, sir, but there are lots more important things than the building and the overall structure.”

(Roger Marsh, HPSCI Hearing, August 1994, p. 14)

“We are not in the business to build headquarters compounds; we are in the business to solve intelligence problems.”

(DNRO Jeffrey Harris, HPSCI Hearing, August 1994, p. 11)

Though the *Joint DoD/CIA Review Report*, published in November 1994, faulted the NRO for building a headquarters with too much space and for providing Congress with insufficient detail about construction costs, the testimony and evidence presented on the NRO’s behalf at the 1994 Congressional hearings, as well as Roger Marsh’s recollection, indicate that the plans for Westfields had been well researched and thought out, and that NRO representatives believed their interactions with the SSCI and HPSCI over the years constituted Congressional approval of the project. A review of these records also reveals several factors that may have contributed to the controversy about the NRO’s new headquarters building.

The NRO’s bookkeeping practices, which changed after 1994 largely as a result of this incident, appear as the first and most obvious contributor to the quarrel over the cost and proper endorsement of Westfields’ construction. Additionally, the NRO’s historically secret status, as part of its distinctive culture, played a significant role because, in the beginning of collocation and construction, it necessitated cover contracts and procedures. Political factors, including the regular turnover of representatives on Capitol Hill, figured into the mix of contributory factors as well. Finally, the ending of the Cold War had caused many in Congress and in the public to assume that less concern about a Soviet

threat should mean less need for NRO satellites; an organization whose importance appeared to be diminishing, they reasoned, should not need a big, new headquarters from which to operate.

The Role of the NRO's Culture and Classified Status

“The headquarters was done the same way they’ve done business for years. Since 1980, they’ve gotten a blank check. It’s a different world, and they have to find a new way of doing business.” (Anonymous Senate intelligence committee aide, quoted in *The Dallas Morning News*, 13 August 1994)

“To me it was definitely an effort not to disclose the cost and the expense—even the location for a long period of time—with any specifics, based on what I think is the culture and the philosophy in much of the Intelligence Community that ‘we don’t have to account’ like anybody else does...” (Senator DeConcini, Press Conference, August 1994, p. 2)

Like its customary methods of bookkeeping and managing its satellite programs, operating “in the black” because of its classified status prior to 1992 had been an accepted part of NRO culture. Accordingly, in the 1980s when Roger Marsh began his search for facilities to lease and land to buy, he and his team did so with cover mechanisms in place. They hired a contractor (Rockwell International’s subsidiary CISCO) to act as the NRO’s “face to the world,” and developed cover stories because, as Marsh said, the project had to be done “not as a government organization because we [the NRO] didn’t exist” (CSNR Reference Collection). Having a contractor and a cover story to accomplish projects under these kinds of circumstances, Marsh pointed out, was not uncommon.

In fact, contractors had long played a significant role in the mission of the NRO, and the regular presence of a substantial number of them was another accepted part of the culture of this unusual hybrid organization. Official inquiry into the unusually large number of contractors employed by the NRO followed a concern first raised by Senator Metzenbaum during the 8 August press conference to disclose the fact of the headquarters building:

In this new building, I’m told that one third of the people occupying the offices will be contractors. And it’s also been indicated that they probably will not be paying any rent...The building was designed to accommodate 3,500 people, but there will only be 2,900 people moving in, including 1,000 who are not government employees but independent contractors doing business with the government... (Senator Howard Metzenbaum, Press Conference, 1994, p. 3)

The Joint DoD/CIA Review Team, however, laid to rest the question of NRO contractor employment, finding (a) that “numerous onsite contractors have served the NRO in the past, and will continue to do so after occupancy of the new facilities”; and (b) that “the Defense Contract Audit Agency determined that overhead rates have been properly adjusted for space and other occupancy benefits provided to contractors who utilize NRO

facilities” (*Joint DoD/CIA Review Report*, p. 3). Expanding on these summary findings, the Team noted that the NRO’s unique mission, involving state-of-the-art equipment, often required scientific and technical expertise, which the government personnel system could not always furnish.

The NRO’s selection of private contractors to build its new headquarters, however, became one of the major complaints raised by the SSCI in its charges of overspending at the NRO and in media stories that quickly spread following the press conference held on 8 August 1994 to disclose the Westfields project. The senators, and much of the press and public, assumed that the choice to hire its own contractors, rather than make use of established GSA or military construction procedures, implied corruption and a desire to spend unrestrainedly on the part of the NRO. But, in fact, according to Roger Marsh’s recollection and the testimony provided at the SSCI and HPSCI hearings, quite the opposite was true.

Marsh and his team had chosen this means for building the new headquarters, first, to protect the organization’s classified status, because the collocation project began in the late 1980s while the “fact of” the NRO had not been declassified. Secondly, the team selected private contractors in an effort to spend as prudently and economically as possible, in the same manner as the NRO went about choosing companies to build satellites—it awarded contracts competitively. In addition, as explained during his testimony to the HPSCI, Marsh made use of a “pass-through”¹⁸ contract in hiring Rockwell International Corporation to serve as the prime contractor; through this mechanism, the NRO protected its then-classified status by having this company serve as a cover without paying any fees to Rockwell for hiding its presence. As he emphasized in later interviews, project director Marsh and his team members—government (NRO) and prime contractor (CISCO/Rockwell) alike—took very seriously their responsibility for the money they were spending on construction; they treated it, he said, as if it were their own money so that they looked for ways to “do it cheap” (CSNR Reference Collection).

Nevertheless, Senator DeConcini’s suggestion that the NRO had a “cozy relationship” with a “small group of major contractors”—as well as similar suggestions by others that appeared in the media¹⁹—helped to cast suspicion on the Westfields construction

18 Marsh offered the following explanation of the NRO’s pass-through contract with Rockwell International Corporation during his testimony at the HPSCI hearing on 11 August 1994: “Rockwell International is the facility support contractor. They do not earn one dime on this project. It is called a pass-through contract where all of their costs are just passed just right through to us and the Government reimburses those activities..When I say that Rockwell earns no fee, that is for the construction activities and all the things they do on the construction contract. They did earn fee on the people that are on the program, the normal O&M type of contract where they do the construction management and various other O&M activities.” (HPSCI, 1994, p. 14)

19 For example, during a *Prime Time Live* broadcast on 29 September 1994, John Pike of the Federation of American Scientists charged that the NRO’s continued satellite production was “obviously in the interest of contractors like Martin Marietta, Lockheed, TRW, or Boeing, even if American security doesn’t need it.”

(Kranish, 1994; PrimeTime Live, 1994).²⁰ The media picked up on such insinuations and speculated on shady motives behind the NRO's hiring of Rockwell, CISCO, Til Hazel, George Hyman Construction, and all the remaining contractors who played a part in the building of Westfields.

The *News & Record*, for example, published an editorial on 12 August 1994 that began: "Congratulations, taxpayers. You now own a \$347 million palace." Noting that "anecdotal evidence suggests that architectural details and finish are top-of-the-line," the editorial continued, "it's only human nature, after all, to juice up the amenities when no one's looking" (*News & Record*, 1994). *The Post-Standard*, in Syracuse, New York, opined that, since Westfields was built as a private project, "likely few of the rules governing the bidding process were followed—leaving plenty of room for exploitation and price-gouging" (*Post-Standard*, 1994).

However, despite all the suspicion raised by members of the SSCI and the media concerning construction costs for Westfields that may have been escalated both by the NRO's use of commercial contractors and by its perceived disregard for proper stewardship of the taxpayers' money, the final conclusion of the Joint DoD and CIA Review Team was that the construction costs were reasonable. The Review Team found that the cost of building the NRO's headquarters was similar to comparable facilities, both military and commercial. When compared to the recently constructed and similarly designed Naval Intelligence Headquarters building in Maryland, and to commercial facilities then being planned for western Fairfax County, the costs of \$153 per square foot for the Westfields building, the Team found, were reasonable and comparable (*Joint DoD/CIA Review Report*, pp. 14-15).

But until the August 1994 press conference that made the Westfields project public knowledge, it had been still classified, despite declassification of the fact of the NRO in 1992. Subsequently, the issue of the NRO's new headquarters gave rise to a broader discussion in Congress about what should be kept secret and what should be declassified. Under close questioning about the reasons for this secrecy by Representative Robert Torricelli at the HPSCI hearing on 11 August 1994, project director Marsh described the circumstances under which he and his team had begun the project and why they chose to do it under cover instead of openly through GSA or Milcon:

In the time frame we were talking about, we [the NRO] did not even acknowledge we existed... We had large numbers of people trying to figure out could you, in fact, bring together several thousands of people either under a GSA-type of thing or a MCP [Military Construction Project]-type of thing, and

20 In a Director's Note, issued to the NRO workforce on 30 September 1994, DNRO Harris referred to "numerous inaccuracies" in the *ABC Prime Time Live* story aired the night before. He also attached a copy of a letter, dated 29 September, sent to Prime Time Live producer Rick Nelson in which he pointed to highlights of NRO activities undertaken in the past several years as part of its "continuing response to the intelligence needs of our customers". The DNRO's letter emphasized a consolidation of NRO satellite architecture for a more cost-effective operation, the civil applications of state-of-the-art imagery and data processing technologies, and the usefulness of space systems in assessing damage during recent natural disasters; in short, Harris said, *Prime Time Live's* assertion that the NRO had not adjusted to the end of the Cold War was inaccurate (CSNR Reference Collection).

the conclusion was even when GSA or MCP goes to build a building, they need to have an identified tenant...We found ourselves in a position that, yes, we could have possibly created a cover for this organization that already existed, sir, but found that very difficult where we could work through that process and put the NRO in a Government building. We just could not figure out a way to do it. The other thing that we saw that the commercial cover offered us again was a much lower profile than it would have been if we had been pursuing a large Government new building as to who is this large Government building that needed all these things. (HPSCI 1994, p. 24)

At the time Mr. Marsh and team began their work, the path they pursued seemed to be not only standard NRO procedure, but the most efficient and, in fact, the only one available given their constraints. But Representative Torricelli's remarks illuminated one of the downsides to the NRO's choice to use private cover, which is that it did "invite some to suggest that this was an avoidance of scrutiny" (HPSCI 1994, p. 24). His further speculation, however, that "private cover may not only have worked for intelligence purposes, but it also worked for different budget results" proved to be unconvincing to the Joint DoD and CIA Review Team who concluded that construction costs for the NRO headquarters building were "reasonable, based on comparable military and commercial facilities" (*Joint DoD/CIA Review Report*, p. 3).

The Role of NRO Bookkeeping in the Westfields Dispute

"Now, I will make this criticism . . . we should have a line item budget like the Department of Defense gives us and if we had had that in place—get rid of this 'base' and give us a line item budget—if we had had that in place, then there would be no way for the Senate to say they did not know about this."

(Representative Norman Dicks, HPSCI, 1994, pp. 15-16)

"Real estate, however important it may be, has historically been dealt with as part of the base in the NRO budget books."

(DCI James Woolsey, HPSCI, 1994, p. 30)

The *Joint DoD/CIA Review Report* found that the NRO had failed to follow "Intelligence Community budgeting guidelines" and that it had not provided Congress with enough detail in its responses to Congressional requests about money being spent on collocation (*Joint DoD/CIA Review Report*, p. 1). Thus, the NRO's traditional bookkeeping practice of including all funding requests in its "base" budget appears to have been at the bottom of its troubles with the SSCI.

For NRO management, however, including everything in a base budget—rather than breaking out the costs for construction of its headquarters building separately into a "New Initiative," as the *Joint DoD/CIA Review Report* found that it should have—represented standard, normal practice. As DNRO Jeffrey Harris explained in his testimony, the NRO did not include Westfields' construction costs as a single line item in its budget "because this facility is part of the infrastructure necessary to continue the operation of

the organization, which historically has been reported in the base” (Laurie, p. 48). Or, as Roger Marsh said in later interviews, the NRO’s collocation/construction team treated the Westfields project in the same manner as it treated a project for building satellites.

During the 10 August hearing before the Senate Select Committee on Intelligence, DDNRO Jimmie Hill offered a clarification of the base account in the NRO budget and why costs for a new facility would be included there, rather than identified separately as a new initiative. The base, he said, was intended to represent the current intelligence capability of the United States. Ongoing initiatives would be anything previously approved that would enhance the current intelligence capability, while a new initiative would be something new that would further enhance the capability. A new building could not be said to increase the country’s intelligence capability; hence, cost figures for its construction would go into the base (SSCI, 1994, pp. 54-55).

In an interview with *The New York Times*, former DNRO Faga acknowledged that the Senate committee members may not have understood just how much the Westfields building was going to cost as they looked at the NRO budget, despite the fact that they most certainly had been briefed about the headquarters construction project—in 1990, 1991, and 1992. “It’s perfectly plausible,” Faga said, “that folks were looking at pieces of the budget, not looking at other pieces, not seeing that there’s an aggregate cost there. I can easily imagine that they did not recognize what was going on” (Weiner, 1994a).

Operating in this manner, however, had been the NRO’s traditional way of doing business. As manager of this particular project, Marsh explained, it was simply natural for him to “think of Westfields as nothing but another program element” (CSNR Reference Collection). Therefore, the NRO did submit the costs piecemeal, just as Senator DeConcini had charged, but it was because management viewed them as infrastructure improvements rather than as a new initiative—not because its intent was to hide or disguise any of the data.

In summary, the Joint DoD and CIA Review Team absolved the NRO of any wrongdoing in the SSCI’s allegation that it had either lied about or deliberately hidden the cost of Westfields, concluding that there was “no intent on the part of the NRO to mislead the Congress” (*Joint DoD/CIA Review Report*, p. 8). It further suggested that, even though the “primary burden” for effectual presentation of budget information lay with the executive branch, Congress also bore some culpability for the entire Westfields dispute: “The Executive Branch and the Congress share responsibility for ensuring effective budget presentations and exchange of information” (*Joint DoD/CIA Review Report*, p. 9).

Among the *Joint DoD/CIA Review Report’s* several conclusions were that data in the NRO’s responses to HPSCI or SSCI requests for information could have been presented in a more clear-cut manner and that the NRO’s practice of responding only to the committee originating the request had tended to create unevenness and confusion about what was known by each of the two Congressional oversight committees.

The SSCI’s vociferous complaints about insufficient data stand in direct contrast to the HPSCI’s apparent satisfaction with budget information provided by the NRO, which poses

the question: why the difference in reaction between the SSCI and HPSCI?²¹ Was there, in fact, a disparity in the information the NRO provided to one committee as opposed to the other? Or, as suggested in the media, was the irate response of the SSCI really attributable to political factors and animosity between its chairman, Senator DeConcini, and the NRO's overseer, DCI James Woolsey? Or, was there perhaps another factor playing a part in the drastically different responses of the SSCI and HPSCI—the work of the two staffs supporting the committees, an aspect later discussed by former DNRO Keith Hall in a 2001 interview? Staff members working behind the scenes for each committee, Hall said, held a great deal of power, “particularly on the intelligence side.” According to his own experience as a Congressional staffer, Hall had observed that the staff “is in a position to either pour gasoline on [issues] or use the fire extinguisher,” and some, he said, “just can’t resist wielding the power that they inherently have been given” (CSNR Reference Collection).

In any case, however, if the NRO had taken a different approach to its Congressional reporting and chosen to revise its traditional bookkeeping practices—i.e., presenting the headquarters building project as a “new initiative,” according to IC budgeting guidelines—there would have been no opportunity for Senator DeConcini and his SSCI colleagues to raise red flags of suspicion about “secret, extravagant spending” for an NRO headquarters building. As Representative Norman Dicks noted in remarks directed to DCI Woolsey and DDNRO Hill during the August 1994 HPSCI hearing, he had previously advised the NRO to adopt a line item budget similar to the one provided the Committee by the Department of Defense. If that kind of budget—with the “base” removed—had been in place at the NRO, the controversy about its headquarters building might never have erupted.

The Role of Political Factors in the Westfields Controversy

“The NRO episode is considered by specialists as another round in the battle that DeConcini is waging against . . . James Woolsey, who, as Director of Central Intelligence, is the nominal head of the NRO... ”

(Intelligence Newsletter, August 1994)

“I think this is a personal vendetta between Dennis DeConcini and Jim Woolsey. I think DeConcini is trying to do everything he can to destroy Jim Woolsey’s reputation, and this thing has been unfairly portrayed.”

(Representative Norman Dicks, quoted in *The Washington Times*, 11 August 1994)

Politics appears to have played a role in creation of the Westfields controversy in two ways. First, suggestions surfaced in media reports that Senator DeConcini had raised the building issue as part of an ongoing clash with DCI Woolsey. Second, but less obvious, the regular turnover of Congressmen and the changes in agency representatives over the period during which the NRO’s collocation project took place (approximately 1988

21 During the opening of the HPSCI hearing on 11 August 1994, Representative Larry Combest stated that “much information was transferred to the Committee on the building, through both documents and staff briefings”; he went on to scold those Congressional members who criticized the NRO for inadequately informing them of demonstrating “inattention to their Committee work,” especially, he pointed out, in light of the “large amounts of information that was indeed available to them in Committee files and from staff” (HPSCI, pp. 3-4).

through 1994) resulted in a lack of continuity and memory—factors that might have contributed to much misunderstanding and confusion.

DeConcini vs. Woolsey. Several news articles and editorials published after the SSCI's hearing on 10 August 1994 cited ill will between Senator DeConcini and DCI James Woolsey as one of the real reasons for the Committee's protest over the NRO headquarters building. According to the *Intelligence Newsletter*, "specialists" considered the controversy to be "another round in the battle" that DeConcini was waging against the CIA and, particularly, against DCI Woolsey (*Intelligence Newsletter*, 1994). *The Boston Globe* reported that some members of Congress were "trying to use the controversy to go after Woolsey," and a *Dallas Morning News* article agreed, stating that "analysts and Congressional aides said Congress's outrage had less to do with the stealth building than the ongoing dispute over intelligence gathering in the post-Cold War era" (Kranish, 1994; Landers, 1994). Representative Norman Dicks of the HPSCI, quoted in both the *Dallas Morning News* article and in *The Washington Times*, bluntly asserted: "I think this is a personal vendetta between Dennis DeConcini and Jim Woolsey" (Landers, 1994; Gertz, 1994c). In the spring of 1994 DeConcini himself revealed that he had hoped the DCI position would go to an "outsider, a systems manager"—someone who would take the actions necessary to mend the CIA. "But," said DeConcini, "that isn't what we got"²² (Smith, 1994).

The DeConcini-Woolsey conflict, according to most sources, had arisen from the Aldrich Ames arrest in the spring of 1994; the Senator believed that Woolsey had not done enough to strengthen the CIA's internal security procedures, and the DCI had resisted efforts by Congress to give the FBI a greater counterintelligence role. In addition, Woolsey and DeConcini had been at odds over the intelligence budget, with DeConcini trying to "cut hundreds of millions of dollars out of the spy satellite budget" and Woolsey fighting to keep the money (Landers, 1994). But, according to a *Washington Post* article published on 10 May 1994—three months before the Westfields controversy erupted in the press—Woolsey's contentious relationship with Congress could be traced as far back as May 1993 when he "sternly instructed senators—pointer in hand—how their budget cuts had 'decimated' the spy agency's operations and would have to be reversed" (Smith, 1994).

As director of the CIA, James Woolsey had become known as its loyal guardian. He was unhappy with the Clinton administration's lack of attention to the Agency, according to press reports, and what he viewed as "very unfair shots" from the media (Smith, 1994). The chairman of the HPSCI, Representative Dan Glickman—though a Woolsey supporter—commented that the DCI needed to "stop acting like he's the lawyer for the agency and act like he's representing the taxpayers in intelligence matters" (Smith, 1994). Woolsey's argumentative personal style had contributed to his troubles with DeConcini and many of his colleagues, according to news articles on the apparently growing rift between the DCI and Congress. Senator John Warner—SSCI Vice Chairman, but also a Woolsey friend—reportedly had warned him in May 1994 to expect a "firestorm" in the Senate over the 1995 intelligence budget (Smith, 1994).

22 A *Time* magazine article, "The Trouble Within," published on 1 August 1994, also quoted Senator DeConcini as saying, "We have had a very obstinate director of the CIA who has hurt the Agency; he is not doing the Administration any good whatsoever and to me is a disaster" (Shannon and Thompson, 1994).

Woolsey's uncompromising position on the budget, according to some aides and supporters, had also produced a poor relationship with intelligence staffers, in addition to alienating SSCI Chairman DeConcini. Maintaining a good relationship with intelligence committee staffers could be very important, according to remarks made in a 2001 interview by former DNRO Keith Hall, because Congressmen relied heavily upon their staff members to provide them necessary, accurate information.²³ "They [Congressmen] look at the staff as being the ones without an axe to grind and the honest broker on the issues," Hall explained. Therefore, the staffers, he said, "can be instrumental in the flow and analyses of information for purposes of decisionmaking and the framing and identification of issues" (CSNR Reference Collection).

Turnover in Congress and Agency Leadership. The collocation of the NRO's programs began in 1988, but the SSCI's "discovery" of the Westfields construction occurred in the summer of 1994, a time interval of at least five years. During that time the NRO twice changed leadership—from DNRO Pete Aldridge (1981-1988) to DNRO Martin Faga (1989-1993) to DNRO Jeffrey Harris (1994-1996). The Directors of Central Intelligence changed (William Webster to Robert Gates to James Woolsey); and Secretaries of Defense (Carlucci, Taft, Cheney, Aspin, and Perry) and Deputy Secretaries of Defense (Taft, Atwood, Perry, and Deutch) changed as well. Regular turnover of Congressional seats also occurred. Additionally, changes took place among members of the Congressional staff. Thus, in the words of former DNRO Faga, by August 1994 "most of the people who really knew the background were gone" (CSNR Reference Collection).²⁴

Though DDNRO Jimmie Hill testified that he remembered DNRO Faga briefing SSCI Senator Cohen and then-Chairman David Boren about the NRO's collocation project, Boren later claimed that he was "never made personally aware that a construction project of this magnitude was being contemplated" (Diamond, 1994). Hill theorized that Boren did not remember because the NRO's focus had been on collocation, integration, and realignment of its programs; the headquarters facility itself, he explained, had not—until then—ever been an issue. But, in addition, according to Boren, while the NRO briefed staffers in 1992 about the project design, there had been no briefings with senators during the transition of SSCI leadership.

In interviews conducted in 1996 and 2010, former DNRO Faga pointed out that many of the individuals who had been involved with the beginning of the collocation project in the late 1980s had left Capitol Hill. Congressional staff members—for example, Keith Hall and George Tenet—who would have been familiar with the NRO headquarters planning, had moved on, Hall to the Pentagon and Tenet to the White House. The turnover of intelligence committee staffers, whose roles were not insignificant as Keith Hall pointed out, might well have figured into the mix of confusion on facts surrounding the Westfields project. A former SSCI staff member himself, Hall knew that the information acquired

23 Keith Hall served on the staff of the Senate Select Committee on Intelligence (SSCI) between 1983 and 1991, first working under the SSCI's budget director and finally becoming budget director.

24 Faga understood the importance of continuity and memory, not only with regard to Congressmen but also their staff, because he had worked for the House Permanent Select Committee on Intelligence (HPSCI) under its budget director, Jim Bush.

and passed on to senators and representatives by staffers carried a great deal of weight because there are fewer sources of information in intelligence matters than for other legislative activities.

Former DNRO Faga reacted to the Westfields controversy, he said, with irritation “for Jeff [Harris], who was taking the brunt of this,” even “calling Brit Snyder, SSCI Director”²⁵ to say: ‘Hey, why are you beating up Jeff Harris? I’m the guy that did it. Just call me down and I’ll tell you.’” But, remembered Faga, “he [Snyder] said—he laughs—‘well, we wouldn’t want to hear, you know, the real story’” (CSNR Reference Collection).

The End of the Cold War as a Factor

“My own concern . . . is this a project conceived during the Cold War . . . and was there a reasonable basis to scale down—as a consequence of the ending of the Cold War—many of the things that were probably fully justified in terms of space and cost, say, three or four years ago, but questionable today...”

(Senator John Warner, Press Conference, 8 August 1994)

“If the place could be sold, that would be a reasonable solution. Then, the NRO could find no-frills quarters commensurate with a diminished post-Cold War role.”

(*News & Record* Editorial, August 1994)

Almost from the time the Westfields complex became public knowledge—at the press conference held in August 1994—the fact that the Cold War had recently ended became one of the objections raised to the NRO’s construction of a new headquarters building. Senator Warner first presented the issue in suggesting that the Cold War’s ending formed a “reasonable basis” for scaling down the size and cost of a facility that had its original planning in 1988. Warner then pressed this concern during the SSCI hearing on 10 August, and the press eagerly took up the theme of the NRO’s “Cold War hangover” in numerous stories afterward.²⁶

In his opening statement at the SSCI hearing, Senator Warner asserted that one of the questions before Congress was whether the plans for the NRO’s facility had been “properly reviewed in the aftermath of that era of the demise of the Soviet Union and the Warsaw Pact” (SSCI, 1994, p. 4). The Westfields building, which was planned during the Cold War era, he said, might “now be disproportionate to the needs of the NRO”; in fact, he pointed out, the facility had been expanded from three to four towers in summer 1992, “long after the dissolution of the Soviet Union and the collapse of the Warsaw Pact.” Had a “real hard scrub,” he wanted to know, been done on the project (SSCI, 1994, p. 5).

During a testy exchange with DCI Woolsey, Warner persisted in asking about budget cutbacks and a scrub of the headquarters project, with Woolsey responding that

²⁵ Faga misspoke here; Brit Snyder actually had been the SSCI’s General Counsel.

²⁶ A *News & Record* editorial referred to the NRO’s “diminished post-Cold War role,” and the *Pittsburgh Post-Gazette* published an editorial headlined “Cold War Hangover Construction of a Spy Complex Deserved More Oversight.”

“consolidation involves several years of investment” but admitting that he did not know whether a scrub had taken place (SSCI, 1994, p. 20). Deputy Secretary of Defense Deutch offered Warner his answer that, though there had been a significant review of the entire National Foreign Intelligence Program, there had not been any significant reduction in dollars to the NRO nor had there been a specific review of the building.

Despite attempts by DCI Woolsey and DNRO Harris to explain that the Westfields building plans had progressed as they had because of changing requirements from partial to total collocation, the expectation remained that the Cold War’s ending should result in reduced need for satellites. For Senator Warner and others in Congress, as well as much of the public who had become aware of the Westfields issue, it logically followed that reduced need for satellites meant reduced need for the NRO and, therefore, no need for an expensive new headquarters building out of which to conduct operations of dwindling significance.²⁷

Conclusion: What Was the Westfields Controversy Really About?

Whether the controversy over the new headquarters building was a simple matter of concern about NRO spending that arose from an SSCI audit²⁸ would be difficult to prove. However, there is much evidence to suggest otherwise.

Senators DeConcini and Warner, who became the primary movers behind the White House-sanctioned declassification of the NRO’s headquarters building project and its subsequent investigation, each had particular concerns that the Westfields issue helped to exemplify. DeConcini’s extreme discontent with DCI Woolsey’s management of the CIA had become common knowledge on Capitol Hill. Warner—though reportedly a friend of Woolsey—had already demonstrated a keen interest in downsizing the IC because of the ending of the Cold War.²⁹ And another SSCI member, Senator Metzenbaum, who contacted officials in the Clinton administration to push for the Westfields declassification, had become known as a zealous proponent of making the intelligence budget public.³⁰

Although the documentation produced during the two Committee hearings, as well as the investigation conducted by the Joint DoD/CIA Review Team, clearly refuted the allegations made by DeConcini and his colleagues that the NRO had either lied about

27 During the House Intelligence Committee hearing on 11 August, DCI Woolsey responded to a similar question from the HPSCI Chairman about the NRO’s new headquarters building and post-Cold War downsizing: “How is it that it [the building] went from two to three to four, at the same time the intelligence community is downsizing? It grew as Congress went along with the decision, which was held up for a time in 1992, I believe, to have a complete collocation of the NRO rather than a partial collocation...” (Woolsey at HPSCI Hearing, pp. 32-33).

28 A *Washington Times* article on 10 August 1994 quoted Senator DeConcini as saying that auditors for the SSCI found the cost data for Westfields “by accident” and that the discovery represented a “breach of trust” and “cavalier” attitude toward the spending of taxpayers’ money (Gertz, 1994b).

29 In May 1994, Senator Warner had called on President Clinton to establish a task force to study the IC. Earlier in the year he had asked a Pentagon intelligence agency officer, during a closed committee meeting, about the existence of any master plan for making reductions, to which the officer replied that there was “nothing on paper” (Pincus, 1994c).

30 During the opening of the SSCI hearing on 10 August 1994, Chairman DeConcini stated that Senator Metzenbaum “had a lot to do with the declassification”—that he had contacted the National Security Adviser, the Vice President, and others in the Administration to urge that the Westfields project be declassified (SSCI Hearing, p. 8).

obtaining authorization for Westfields construction or had deliberately hidden cost data, the Joint DoD and CIA Review Team did conclude that the NRO's use of a base budget lacked the clarity needed for proper Congressional oversight. Thus, the NRO's less than clear-cut bookkeeping practices created an opportunity for DeConcini, Warner, Metzenbaum, and like-minded Congressmen to make a case for IC budget cuts and scrutiny of DCI Woolsey's management of the NRO and CIA.

In the wake of the Aldrich Ames spy embarrassment—and with a focus on reductions in IC spending brought about by the winding down of the Cold War, which resulted in a perceived decreased need for intelligence activities—the CIA and DCI were, more than ever, vulnerable to criticism. In fact, according to a May 1994 *Washington Post* article, Senator Warner reported a renewed interest among some of his Capitol Hill colleagues in a three-year-old proposal by Senator Daniel Patrick Moynihan to disband the CIA.³¹ Senator Warner himself, despite apparent discomfort with the fact that the SSCI's audit had turned up problems with a government facility he had helped bring to the state he represented, found the Westfields issue to be another opportunity to push for a post-Cold War study of the IC and how it was spending taxpayer money.³² In addition, SSCI Committee member Howard Metzenbaum undoubtedly found the Westfields issue an opportune example to drive home his point about the danger of government “doing business in the dark.”³³ As Metzenbaum put it, the NRO's reluctance to reveal information about a building was merely trivial and unsurprising when compared to the fact that the head of the organization—DCI Woolsey—“won't even agree to tell the American people the full cost of U.S. intelligence programs” (SSCI, 1994, p. 11).

Communication—both between the NRO and Congress and within the Congressional oversight committees themselves—was also a significant contributing factor to the controversy. As former DNRO Keith Hall pointed out in a 2001 interview, a problem of differences between Congressional and NRO cultures led to miscommunication in briefings and other discussions concerning the NRO's budget. Whereas the NRO culture revolved around its mission—resulting in an attitude Hall described as “Let's get the mission done, and we'll worry about the books and the money later”—Congressional culture, as Hall's experience on Capitol Hill had taught him, regarded financial issues as very much “a big deal” (CSNR Reference Collection). In addition, inadequate communication between members of the Congressional oversight committees and their staffers appeared to contribute to misunderstanding in the Westfields issue. During the press conference on 8

31 In a *Washington Post* article, “As Woolsey Struggles, CIA Suffers: Director Finds Himself at Odds with Capitol Hill, White House,” R. Jeffrey Smith reported that Senator Warner “said he is hearing from other lawmakers that a three-year-old proposal by Sen. Daniel Patrick Moynihan (D-N.Y.) to eliminate the CIA and parcel out its responsibilities to other departments ‘may well be revisited, not just with one, but two, and many others’ voicing support.”

32 At the 8 August press conference to announce declassification of the Westfields project, Senator Warner said, “Yes, we very definitely knew about it. I'm proud to say that this is in my state. I worked as a part of the decision team several years ago when we looked for a site... Through the years, the cost of this project was put into what we call the base figure, which is a type of accounting that's common throughout intelligence. Where we didn't know the details was exactly the amount in that base figure. And we didn't follow year after year, or it was not given to us, how it was beginning to add up. And my own concern...is this a project conceived during the Cold War, which was not awakened by the realities of the change that followed after the Cold War?” (Press Conference, p. 3).

33 Metzenbaum first used the analogy of the government doing “business in the dark” during the 8 August press conference and again referenced it during the SSCI hearing on 10 August.

August 1994, for instance, Senator Howard Metzenbaum expressed his indignation about Westfields—“a project of 68 acres, a million square feet,” upon which he implied there was room enough for “at least two more NROs”—and stated with certainty that he “knew nothing at all about it”; furthermore, he said, none of the members of his committee (the SSCI) knew anything about it (Press Conference, p. 3). Yet, the press conference transcript reveals that shortly thereafter, following a reporter’s further pressing the point whether no one could have been aware of the Westfields construction, Senator Kerrey responded that the SSCI had, in fact, been informed.³⁴

Therefore, by all indications it would seem that the controversy stirred up by the SSCI’s “discovery” and public disclosure of Westfields—as Roger Marsh had said—was really about much larger issues than a building. Betraying a trace of frustration as he responded to a question from Chairman Dan Glickman at the August 1994 HPSCI Hearing, Marsh had remarked: “I do not mean to demean the situation...here, sir, but there are lots more important things than the building and the overall structure” (HPSCI, 1994, p. 14). Later, during a 2005 interview, Marsh reiterated that, rather than “just a bunch of bricks and mortar,” the heart of the Westfields construction matter had been a restructuring of the NRO to enable it to be better serve as “the eyes and ears of the nation” (CSNR Reference Collection).

The impact of the controversy that arose over the NRO’s construction of a new headquarters structure in Northern Virginia is indisputable. The misunderstanding surrounding the building, in conjunction with the very real bookkeeping deficiencies that became evident as the handling of the Westfields construction was examined, resulted in a damaging lack of trust between this IC agency and Congress. Additionally, the NRO’s “forward funding” issue, which soon followed, helped to highlight the need for an examination of the budget and spending practices of IC agencies and how they reported to Congress.³⁵

The significance of accounting practices uncovered at the NRO during the Westfields and forward funding controversies is reflected in President Clinton’s April 1996 cover letter accompanying the published results of an Office of Management and Budget (OMB) review of the U.S. intelligence budget. Actions would henceforth be undertaken, the President wrote, to: (1) improve budget formulation and execution for national intelligence agencies; (2) establish more effective financial management through the IC, with particular emphasis on the NRO; and (3) reduce the forward funding balances of the NRO (CSNR Reference Collection).

34 Question from press conference audience: “Is what you’re all saying is that this building that we’re looking at for \$350 million, nobody knew anything about except for the eight zillion people it took to build it?”

Senator Kerry: “No, we were informed—the committee has been informed of a construction project in progress, but not of this dimension... .”

Senator Warner: “Yes, we very definitely knew about it. I’m proud to say that this is in my state. I worked as part of the decision team several years ago when we looked for a site...Where we didn’t know the details was exactly the amount in that base figure. And we didn’t follow year after year, or it was not given to us, how it was beginning to add up” (Press Conference, 1994, p. 3).

35 For more information on the “forward funding” issue, see Dr. Bruce Berkowitz, *The National Reconnaissance Office at 50 Years: A Brief History*, Washington, D.C., September 2011.

In conclusion, the NRO neither lied about nor hid construction costs from Congress, contrary to the flamboyant headlines that appeared when news of the NRO's new headquarters building broke. And, despite charges made by members of the SSCI, the NRO had in fact obtained the proper authorization for the purchase of land at Chantilly, Virginia, and the construction of a building large enough to house all its components there.³⁶ So, there was, in reality, no substance behind the outrageous headlines that followed the press conference on 8 August 1994 to publicize the NRO's heretofore classified construction project.

Retrospect & Outlook

The outcome of the storm over the building of Westfields resulted in a formal exoneration of the accusations of any deliberate wrongdoing made against the NRO by members of the Senate Select Committee on Intelligence. The *Joint DoD/CIA Review Report* concluded there had been no intent on the part of the NRO to mislead Congress and that the oversight committees had approved its reorganization and funding requests for both collocation and purchase of property. As for charges concerning the "outrageous" cost of the building and the NRO's "inappropriate" housing of contractors, the Report found that "the construction costs per square foot are reasonable, based on comparable military and commercial facilities," and that "the Defense Contract Audit Agency determined that overhead rates have been properly adjusted for space and other occupancy benefits provided to contractors who utilize NRO facilities" (*Joint DoD/CIA Review Report*, p. 3).

The controversy also resulted in the eventual replacement of the NRO's director and deputy director with individuals believed to be more attuned to the concerns of Congress and the importance of a good working relationship with Congressional oversight committees.³⁷ But most significantly, the outcome of the Westfields issue—coupled with the forward funding issue soon to follow—resulted in the NRO's establishment of centralized offices to keep vigilant watch over budgeting issues, as well as the adoption of a single, standardized accounting system. The establishment of the Resource, Oversight and Management Office (ROM) took place in October 1995 under DNRO Harris, who issued a Director's Note describing it as a "single focal point for all NRO financial, budgetary, programmatic, and legislative matters" (CSNR Reference Collection). Keith Hall, who replaced Harris in 1997 as the new DNRO, worked with ROM to centralize the NRO's operations, including creating a single Office of Contracts and establishing a single, integrated financial management system (Berkowitz, 2011, p.24).

All of these internal management and operational changes, which came about because the NRO collocated and came together as a more cohesive organization, and also took place because of the Westfields and forward funding controversies, were so successful that "by

³⁶ The CIA and DoD Joint Review Team established these facts after three months of study and published its final report in November 1994. Evidence, in the form of reams of documents, produced for the two Intelligence Committee hearings by the NRO's representatives had also established these facts for anyone willing to take the care and patience to examine them.

³⁷ The appointment of Keith R. Hall as Acting DNRO and DDNRO occurred in February 1996. Hall officially became the NRO's 12th Director in March 1997, and David A. Kier became DDNRO.

1999 the NRO had become a model of superior financial accountability and management in the U.S. government whose methods and processes were then copied by other Federal departments” (Laurie, 2001, p. 55). By 2009 the NRO went on to achieve what none of the other 16 Intelligence Community agencies have been able to accomplish. It is the only IC organization to have obtained a “clean” audit and, moreover, to have sustained a clean audit opinion for six consecutive years, as of December 2014.

The Westfields story illustrates that without good accounting an organization under Congressional oversight can easily lose the trust of Congress. The NRO had been a well-respected member of the IC—one that, as Keith Hall would later say, had “a history of successful accomplishments and public service” made possible by “streamlined financial and procurement procedures and special authorities...that have been critical to the extraordinary results achieved” (Laurie, 2001, p. 55). But in the summer of 1994, because of an apparently outsized dollar figure for an out-of-cycle project uncovered during a Congressional staff audit, this formerly highly esteemed star among the IC constellation found itself the target of suspicion, scrutiny, and lingering distrust.

The Westfields experience also suggests that out-of-cycle projects—like the one-time building of an IC agency’s headquarters—might benefit from regular (perhaps, at least annual) updates to Congress in order to avoid the kind of confusion that contributed to this controversy. The NRO did provide briefings on its construction project, and answered questions whenever asked; however, these updates apparently were not scheduled on a regular, recurring basis. Given that a significant turnover of Congressmen, as well as of their staff members—whose important role in the effective transmission of information Keith Hall has pointed out—could always be expected, the scheduling of regular, frequent updates and briefings could help preserve continuity of memory and lessen the likelihood of misunderstandings.

The NRO had been a decentralized federation of organizations (Programs A, B, and C) and, therefore, had never had a single, centralized accounting system. Nor had the NRO ever had a headquarters building. Then, in the early 1990s, as the result of studies concluding that the NRO would benefit from centralization and collocation—and at the urging of Congress—it found itself undertaking its first-ever experience in building a headquarters structure. But, without benefit yet of a complete restructuring of its ways of doing business, the NRO was still utilizing the same procedures and accounting practices it had used successfully up to that point.

Consequently, while the NRO’s leaders continued their single-minded focus on the organization’s mission to build satellites for national security and defense, they failed to recognize, from the perspective of Congressional oversight committees newly sensitized to public expectations of “peace dividends” in a post-Cold War environment, the importance of accurate business accounting and reporting. As DNRO Harris described the Westfields project during his Senate testimony, the new headquarters building—as far as NRO leaders were concerned—was simply “part of the infrastructure necessary to continue the operation of the organization, which historically has been reported in the ‘base’ budget” (SSCI, 1994, p. 97).

Keith Hall, who replaced Jeffrey Harris as DNRO, in 1997, had worked among Senators, Representatives, and Congressional staffers on Capitol Hill, and, therefore, more readily recognized the clash about to occur between the two cultures. As Hall said he advised DNRO Harris before addressing SSCI and HPSCI meetings in 1994, “Jeff, don’t say this is not a big deal; this is a big deal to them” (CSNR Reference Collection). In a 2001 interview Hall explained that, in his capacity as Executive Director of the Community Management Staff (CMS) during the mid-1990s, he had accompanied DNRO Jeffrey Harris to various committee meetings “to try and cool them down.” During the forward-funding controversy, Hall said he had tried to explain to the committees “that this really wasn’t a fault of management, but a legacy of the accounting systems in Programs A, B, and C that we had... He [Harris] was just acting based on the information that he had, which was inadequate because he didn’t have a single accounting system” (CSNR Reference Collection).

The apparent miscommunication and misunderstandings—which likely were products of the clash between the NRO’s unique culture and that of the Congress—can serve as an illustration of the necessity for an IC agency to maintain a proactive staff for the handling of Congressional and public affairs. For example, according to Roger Marsh’s testimony at the HPSCI hearing, the NRO had expected eventually to declassify the Westfields building:

There was always an intent at some point in the future that we would declassify it, and there was no question that when we submitted that restructure report that Mr. Harris asked for, there was concern that this type of controversy was going to come up and we wanted it on the record that what we were doing was in full support and understanding of the Congress.... (Roger Marsh, HPSCI Hearing, 1994, p. 9)

Yet, upon the SSCI’s “discovery” of the Westfields building and its disclosure to the public in August 1994, the NRO appeared to be caught unprepared and forced into a defensive position. In addition, the Joint DoD/CIA Review Team had listed, among its several findings and recommendations: (1) the observation that the NRO had provided cost data “in response to specific Congressional requests,” though not consistently and without enough detail, and (2) the recommendation that the NRO should establish “an understanding regarding the sharing of answers to each committee’s questions” (*Joint DoD/CIA Review Report*, pp. 1-2). Thus, while it was true that the NRO had provided much data concerning costs and actions taken during each phase of the Westfields project—the evidence produced during the Congressional hearings—it appeared to have been presented in a piecemeal, unsystematic fashion, e.g. sometimes in response to one committee’s request (HPSCI or SSCI) but not provided to the other.

The NRO began moving into its headquarters at Westfields on 11 January 1996 and continues its operation from that building today in 2014. True to the predictions of Roger Marsh and Jimmie Hill, however, the NRO often finds itself short of office space for its workforce, continuing the necessity to house some employees in spaces outside

Westfields' four towers.³⁸ Many changes have occurred since the NRO's collocation and headquarters construction effort began and since the 1994 Westfields controversy took place, including the developing of offices for legislative interactions, public affairs, and strategic communications that routinely engage with Congress and the press, as well as the improvement in accounting and other business practices.

The NRO—an organization once so hush-hush that the site known as Westfields bore a sign identifying it instead as belonging to Rockwell Corporation—now boldly proclaims itself—on a large sign at the main entrance to its four-tower compound: **The National Reconnaissance Office**. Having previously operated “in the black”—and, therefore, considered by some to have been more streamlined and efficient³⁹—the NRO examined and restructured its business procedures following the Westfields and forward funding issues so that now it proudly holds the title of the only IC agency to have earned and sustained a clean audit.

38 In a 2005 Interview, Roger Marsh remembered DDNRO Jimmie Hill saying that no matter how large a government building is designed, “you’re 30 percent short the day you move in” (CSNR Reference Collection). Marsh continued with his observation that the NRO was short on space for its workforce in 1996 when first occupancy took place and also at the time of the interview; if there was one thing he would have done differently, he said: “if I’d had enough guts—would have been to make it bigger” (CSNR Reference Collection).

39 See how the operations of the old NRO vs. the new have been debated, for example, in articles in *National Reconnaissance: Journal of the Discipline and Practice*, including: Robert Kohler’s “One Officer’s Perspective: The Decline of the National Reconnaissance” (Issue 2005-U1, pp. 35-44), and Dennis Fitzgerald’s “Commentary on ‘The Decline of the National Reconnaissance Office’—the NRO Leadership Replies” (Issue 2005-U1, pp.45-50).

Building Westfields: A Chronology

Date	Event
1988, Spring	DDNRO Jimmie Hill asked Roger Marsh to develop preliminary plan for collocation
1988, Summer	Marsh and team briefed DNRO Aldridge on results of preliminary plan
1988, November 21	<p>DNRO Aldridge sent letter to SSCI Chairman David Boren, discussing needed changes for a more efficient NRO. To ensure wide Congressional dissemination of NRO's planning to restructure and collocate, Aldridge also distributed the letter to:</p> <ul style="list-style-type: none"> • House Armed Services Committee, • Defense Subcommittee of Senate Committee on Appropriations, • Defense Subcommittee of House Committee on Appropriations, • HPSCI and Senate Armed Services Committee.
1989, February	Following agreement of oversight committees on preliminary plan, a "Restructure Planning Team" began the NRO Restructure Study, known as "Geiger-Kelly."
1989, July	<p>Restructure Planning Team (led by RADM Robert K. Geiger and Barry Kelly) completed the Geiger-Kelly study, supporting total collocation with a 3-phase plan: (1) temporary collocation of limited personnel; (2) interim collocation of additional personnel; and (3) permanent collocation of all NRO personnel.</p> <p>A survey of available property in Washington, D.C. area identified two preferred locations; one was Westfields.</p>
1989, July 3	Secretary of Defense Richard Cheney and DCI William Webster advised Intelligence oversight committees of need for further study; the Geiger-Kelly-recommended restructure/collocation plan was not universally accepted. However, Congress approved \$30 million in FY 1990 funds for an interim facility to support organizational changes while permanent facilities issues were studied.
1989, September 28	Martin C. Faga became DNRO, replacing Edward "Pete" Aldridge.
1990, February 26	Cheney and Webster forwarded a report by DNRO Faga to Intelligence oversight and appropriations committees, stating their intent to proceed with collocation of HQs and central support elements while preserving the option for total collocation if required.
1990, September 17	DNRO Faga notified committees of NRO's intent to acquire property and facilities adequate to provide permanent facilities for NRO activities previously located in temporary and interim facilities, with allowance for additional collocation up to and including all of the NRO and some support contractors.

Date	Event
1990, September 17	NRO sent letter to Senator David L. Boren, chairman of SSCI, regarding its intention to collocate all personnel in one new HQs facility. Congress approved and appropriated funds requested by NRO “for a portion of the new headquarters building.”
1990, November 15	Rockwell International Corporation (acting on behalf of the NRO) purchased 68-acre-tract in Westfields Development in Fairfax County, VA.
1991, Spring/Summer	DNRO approved construction of third tower following updated input from the three NRO programs, which estimated the number of employees and contractors to be 1,600.
1992	DNRO Faga directed a “quick look review” of construction standards by the NRO Inspector General.
1992	NRO leaders informed HPSCI and SSCI that its HQs probably would be larger than originally anticipated. NRO created plan for construction of fourth tower to house 3,000 employees and contractor personnel envisioned in total collocation.
1992, January 12	Roger C. Marsh became first director of NRO Management Services and Operations Office.
1992, April	Fuhrman Panel (a DCI-established task force) recommended total collocation and reorganization, adoption of a “one NRO view,” and declassification of certain basic information about the NRO. The DCI, SecDef, and President approved key recommendations.
1992, September 18	Office of the Secretary of Defense officially declassified the fact of existence of the NRO.
1992, December	NRO (with Congressional approval and support) abolished programs A, B, and C, replacing them with functional directorates: Imaging, Signals Intelligence, and Communications.
1994, July	SSCI Chairman Senator DeConcini accused the NRO of failing to properly brief the Committee about construction of its new headquarters building, and implied that it purposely withheld cost information in order to build a larger facility.
1994, August 8	President Clinton declassified the NRO’s headquarters construction project at urging of Senator DeConcini.
1994, Aug 8	DCI Woolsey and Deputy Secretary of Defense Deutch chartered the “Joint Review Team,” chaired by Assistant Secretary of the Navy and CIA Principal Deputy General Counsel, to review the Westfields project and examine adequacy of the information provided to Congress. (<i>The Joint DoD and CIA Review Report</i> , published in November 1994, contains the team’s findings and recommendations.)

Date	Event
1994, August 8	NRO Director's Note No. 4, with attachments (Joint Statement by DCI and DepSecDef, and a memorandum for the media), announced construction of headquarters at Westfields and potential public release.
1994, August 8	Press Conference with Senators Bob Kerrey, Dennis DeConcini, John Warner, and Howard Metzenbaum (following President Clinton's agreement to declassify the construction project) made public the existence of the new NRO headquarters building.
1994, August 8	Associated Press published "Spy Agency Building \$310 Million Office in the Dark."
1994, August 9	The <i>Washington Times</i> published "Congress Kept in Dark on Plans for Spy Buildings."
1994, August 9	The <i>Washington Post</i> published "Spy Unit's Spending Stuns Hill; \$310 Million Facility Secretly Sprouts Up Near Dulles Airport."
1994, August 9	<i>Federal News Service</i> published White House Briefing during which questions were asked and answered concerning President Clinton's declassification of the NRO's construction project in Chantilly, VA.
1994, August 10	The <i>Washington Times</i> published "Senate Panel Set to Grill CIA Chief on Secret Complex."
1994, August 10	The <i>Washington Post</i> published "By Cloaking Building, NRO Gets What It Wanted to Avoid: Attention."
1994, August 10	SSCI Hearings began. Testimony included: DepSecDef John M. Deutch; DCI R. James Woolsey; DNRO Jeffrey K. Harris; DDNRO Jimmie D. Hill; and Roger Marsh, manager for the NRO headquarters project at Westfields.
1994, August	Special Senate report concluded; SSCI immediately suspended \$50 million in NRO construction funds, pending further examination of HQs project. Also called for halt in work until standard DoD policies/procedures for new construction were followed and capped new HQs construction costs at \$310 million. Directed that hereafter no construction project for IC exceeding \$750,000 could obtain Congressional authorization without being specifically identified as separate line item in President's budget.
1994, August 11	HPSCI Hearings began. Testimony included: DCI R. James Woolsey; DNRO Jeffrey Harris; DDNRO Jimmie D. Hill; and Roger Marsh, manager for the NRO headquarters project at Westfields.
1994, August 11	NRO Director's Note No. 5 announced media coverage and DNRO's comments about Westfields construction with the SSCI statement of 10 August.
1994, August 16	NRO Director's Note No. 6 provided more information on media coverage of the Westfields construction and the opening statement from HPSCI hearing by Chairman Rep. Larry Combest.

Date	Event
1994, September 30	NRO Director's Note No. 9 announced coverage of Westfields project by ABC's <i>Prime Time Live</i> and the DNRO's letter to ABC, dated 29 Sep 1994.
1994, November	Joint DoD & CIA Review Team published its report, concluding that there was no NRO intent to mislead Congress and that construction costs for Westfields were reasonable.
1994, December 15	NRO Director's Note No. 13 announced establishment of NRO Office of Contracts (OC).
1995	The DCI, Community Management Staff, Office of Secretary of Defense, and Office of Management and Budget began conducting a thorough review of U.S. intelligence budget.
1995, January 10	R. James Woolsey left his position as DCI; he was replaced by Admiral William O. Studeman.
1995, March 1	NRO Director's Note No. 17 addressed the future of the IC and the NRO's role.
1995, October 10	DNRO created the Resource, Oversight, and Management (ROM) office as a single focal point for all NRO financial, budgetary, programmatic, and legislative matters.
1995, October 13	NRO Director's Note No. 36 announced Executive Order 12958 on Classification and Protection of National Security Information.
1996, January 11	First occupancy took place at Westfields.
1996, January 30	"Forward Funding" issue exposed to public in articles in <i>The New York Times</i> .
1996, February 27	DNRO Harris and DDNRO Hill step down at request of DCI John Deutsch following the "forward funding" revelations; Keith Hall becomes Acting DNRO.
1996, April 9	Report on Executive Branch Oversight of the Intelligence Community Budget published with cover letter referencing the NRO.
1996, November 16	First NRO Family Day took place (a program headed by Roger Marsh, Director of MS&O and project director for Westfields construction). Exhibits included Corona and U-2 memorabilia.
1997, March 28	Keith R. Hall designated Director, NRO (in addition to duties as Assistant Secretary of the Air Force (Space)).
1997, May 13	David A. Kier replaced Keith Hall as DDNRO.
1997, July	The NRO created a new vision statement: "Freedom's Sentinel in Space: One Team Revolutionizing Global Reconnaissance."

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